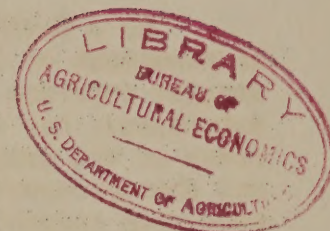


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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Division of Information



Tenant-Protection Provisions Under AAA

(From time to time, word reaches the Department about the displacement of tenants under the crop adjustment programs of the Agricultural Adjustment Administration. The following brief statement may serve to clarify the Department's position and authority in dealing with instances of this nature.)

The problems of tenancy began, of course, long before the agricultural programs came into existence. However, the particular danger of tenant displacement under adjustment programs was recognized, and steps were taken to discourage such practices so far as possible and within the limitations of existing authority. In contracts which were executed under the 1934 and 1935 programs, as well as in the regulations and instructions which have been issued in subsequent programs, provision was made for withholding or reducing payments to landlords who reduced the number of tenants or sharecroppers on their farms or who adopted other devices which were designed for or had the effect of diverting to the landlord payments which normally would go to tenants.

The Agricultural Adjustment Act of 1938, based on experience in administering programs under previous legislation, provides specifically for prevention of the displacement of or discrimination against tenants and sharecroppers. Under this legislation, any reduction in the number of tenants below the average number of tenants on any farm during the preceding three years, or any change between the landlord and the tenants or sharecroppers with respect to any farm, shall not operate to increase the landlord's payments. The act provides that such limitations shall apply only if the county committee finds that the change or reduction is not justified and disapproves such change or reduction.

This does not mean that the Department may arbitrarily insist that the same individuals be kept on a farm, but it does mean that a landlord may not change his usual relation with his tenants under provisions of the act and receive a greater share of the Government payments, unless such change is justified and is approved by the county committee.

If a landlord does not make application for a payment under the agricultural conservation program, the Department of Agriculture has no jurisdiction over the cropping arrangements entered into by him and his tenants or over any action taken by him in displacing tenants. If the landlord anticipates a payment, however, the Department may withhold or reduce his computed payment if it is determined that the limitations provided in farm legislation should be applied.

As a further safeguard against the indiscriminate and unjustifiable displacement of tenants or the changing of their tenure, the agricultural program provides that payment may be withheld from any person who, it is determined, has adopted some practice or device designed to defeat the purposes of the program. This provision is intended to insure that tenants and sharecroppers shall receive their proportionate shares of the payments made with respect to farms on which they are producers. The use by the landlord or farm operator of a lease or operating agreement which would have the effect of depriving any tenant or sharecropper of a payment he would ordinarily be entitled to receive under the programs may properly be determined to be a practice tending to defeat the purposes of the program, and payments may be withheld from any producers employing such a practice. This is true whether the lease or operating agreement be oral or written, or whether it was entered into willingly or unwillingly on the part of the tenant or sharecropper.

Reports have been received of "bonus rent" charges by landlords for the purpose of securing a share of the agricultural conservation payments to which tenants and sharecroppers are rightfully entitled. When such bonus rents or charges are made under conditions which have not heretofore been regular rental procedure, they clearly constitute an attempt to deprive tenants and sharecroppers of payments to which they are otherwise entitled. In such cases, payments may be withheld or, where made, recovered from any landlord or operator employing such devices.

The final responsibility of judging the justifiability of reducing the number of tenants on a farm or of changing their tenure rests upon county committees elected by producers cooperating in the program. In view of the wide variations in tenancy arrangements and the extent to which changes in tenants normally occur, county and community committeemen have considerable latitude in dealing with this problem, in order that each individual case may be considered on its merits.

Producers, or other interested persons, who have knowledge of unfair landlord-tenant relations or practices under the agricultural adjustment programs are urged to report such instances to the county committee, in order that the protection available to farmers under legislation may operate in behalf of those for whom it was enacted.

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March 1940